

# MICROENTERPRISE

## Program Survey

**Program Name:** Microloan Program

**Web Address:** <http://www.>

**Office\Agency:** U.S. Small Business Administration

**Address:** 409 3<sup>rd</sup> Street, S.W.  
Washington, DC 20416  
Attn: Microenterprise Development Branch

**Program Contact:** Jody Raskind

**Phone #:** (202) 205-6497

**E-Mail:** [jody.raskind@sba.gov](mailto:jody.raskind@sba.gov)

**Eligible Applicants:** An organization is eligible to apply to become an intermediary lender if it:

1. Is an organization described as:
  - (1) A private, non-profit community development corporation or other entity;
  - (2) A consortium of private, non-profit community development corporations or other entities;
  - (3) A quasi-governmental economic development entity, other than a state, county, municipal government or any agency thereof; or
  - (4) An agency of or a nonprofit entity established by a Native American Tribal Government
2. Has made and serviced short-term fixed rate loans of not more than \$25,000 to newly established or growing small businesses for at least one year; and
3. Has at least one year of experience providing technical assistance to its borrowers.

Once eligibility is determined, SBA determines the qualification of an applicant through the normal application process.

An organization is eligible to apply to become a non-lending technical assistance provider (NTAP) if it deems itself qualified to provide the required technical assistance and is not participating as an intermediary lender. Again, once an applicant is determined to be eligible, its qualifications are determined through the normal application process.

Eligibility for capacity building organizations is determined on a project basis.

**Type of Assistance:**

**Loans and Loan Guarantees**

Under the intermediary lender program, SBA makes direct loans, and operates a pilot which provides guarantees, to qualified intermediaries. The intermediary lenders, in turn, provide small scale loans, with emphasis on those averaging \$7,500 or less, to start-up, newly established, or growing small business concerns for working capital, inventory, materials, supplies, or equipment.

**Grants**

SBA provides grants to Program intermediaries that, together with non-Federal matching funds, support the provision of intensive marketing, management, and technical assistance to microloan borrowers.

SBA also provides grants to eligible non-profit entities that, together with non-Federal matching funds, support the provision of intensive marketing, management, and technical assistance to low-income clients with the goal of obtaining private sector financing for their businesses.

In addition, SBA provides funding for capacity building to program participants and the microenterprise industry in general.

**Application Process:**

Any eligible organization may apply to participate as an intermediary lender. Each application must qualify for participation based on information submitted to SBA in the application format. An intermediary lender may borrow up to \$750,000 during its first year of participation (to an aggregate total of \$3.5 million during the term of its participation), provided state funding caps are adhered to. An intermediary lender may also receive grant funds in ratios of up to 30% against loan funding. Grants must be used to provide technical assistance to microloan borrowers or prospective borrowers. A 15% cash matching contribution is required for loan funds. A 25% cash, or in kind, matching contribution is required for grant funds, with matching fund exceptions for intermediaries making loans in economically distressed areas.

A small business in need of a microloan must apply directly to the intermediary lender serving its geographic location. A small Business is eligible to apply for a microloan if it, at any time of application, is a for profit business which meets SBA type of business requirements and size eligibility standards.

Eligible organizations which are not intermediary lenders may apply for grant funds through the competitive Request for Proposal (RFP) process or through contract opportunities which arise from time to time. RFPs are published periodically and are advertised in various venues including the Federal Register and the Commerce Business Daily.

**Target Population:**

**Types of Services Provided to Target Population by Grantees\Recipients:**

Loans and loan guarantees -

Business Training/ Technical Assistance -

Other -

**Available Funding:**

**Average Award:**

**Status\Achievements of Program:**

**Other Related Websites:**

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## Program Survey

**Program Name:** Women's Business Center

**Web Address:** <http://www.onlinewbc.org>

**Office\Agency:** U.S. Small Business Administration

**Address:** 409 3<sup>rd</sup> Street, S.W.  
Washington, DC 20416  
Attn: Microenterprise Development Branch

**Program Contact:** Sally Murrell

**Phone #:** (202) 205-7283

**E-Mail:** [sally.murrell@sba.gov](mailto:sally.murrell@sba.gov)

**Eligible Applicants:** Nonprofit organizations

**Type of Assistance:** Long-term training & counseling for women starting & expanding businesses

**Application Process:** Program announcement - RFP

**Target Population:** general women – target women who are socially and economically disadvantaged

**Types of Services Provided to Target Population by Grantees\Recipients:**  
Business Training/ Technical Assistance

**Available Funding:** \$8 million in FY 99

**Average Award:** up to \$150,000.00

**Status\Achievements of Program:**

**Other Related Websites:**

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## Program Survey

**Program Name:** Office of Women's Business Ownership, Online Women's Business Center

**Web Address:** [www.onlinewbc.org](http://www.onlinewbc.org), [www.sba.gov/womeninbusiness](http://www.sba.gov/womeninbusiness)

**Office\Agency:** U. S. Small Business Administration

**Address:** OWBO- 4<sup>th</sup> Floor  
409 3<sup>rd</sup>. St. SW  
Washington, DC 20416

**Program Contact:** Sherrye Henry, Assistant Administrator

**Phone #:** 202-205-6673

**E-Mail:** sherrye.henry@sba.gov

**Eligible Applicants:** Clients of SBA's Women's Business Centers (WBC) that have microfunds

**Type of Assistance:** Business training, technical assistance and microlending information

**Application Process:** Clients contact the WBC, submit a business plan with the assistance of the WBC. Loan officers analyze the request, pull the credit report and request approval for the loan from their loan committee and chief financial officer. The process takes four to six weeks.

**Target Population:** Women Business Owners starting or growing their business; low income and minority women are targets of the WBC program.

### Types of Services Provided to Target Population by Grantees\Recipients:

Loans and loan guarantees	13 SBA's Women's Business Centers are SBA microlenders; 24 Women's Business Center microlenders are non-SBA microlenders.
Business Training	Yes
Technical Assistance	Yes
Other: English Language	Spanish or other languages appropriate to a given WBC

**Available Funding:** \$8 million line item for SBA's WBCs in FY 99

**Average Award:** Each Women's Business Center receives up to \$150,000 from SBA. The centers must match the grant with private sector dollars. Microloans range from \$100 to \$25,000.

**Status\Achievements of Program:**

The program has doubled, from \$4 million in 1998 to \$8 million in 1999. OWBO has 35 centers funded for 1999 and 14 graduated grantees in 27 locations. Awards will be made in 1999 for approximately 20 additional Women's Business Centers. The website for the Online Women's Business Center is a free interactive, award winning, counseling, training site on the Internet:

[www.onlinewbc.org](http://www.onlinewbc.org) .

**Other Related Websites:**

<b>Onlinewbc—Financing</b>	<a href="http://www.onlinewbc.org/docs/finance/index.html">http://www.onlinewbc.org/docs/finance/index.html</a>
<b>Women's Business Ctr.</b>	<a href="http://www.sbaonline.sba.gov/womeninbusiness/wbcs.html">http://www.sbaonline.sba.gov/womeninbusiness/wbcs.html</a>
<b>Microloans at SBA</b>	<a href="http://www.sbaonline.sba.gov/financing/frmicro.html">http://www.sbaonline.sba.gov/financing/frmicro.html</a>
<b>Financing at SBA</b>	<a href="http://www.sbaonline.sba.gov/financing/">http://www.sbaonline.sba.gov/financing/</a>
<b>SBA Classroom--How to Raise Capital for a Small Business:</b>	<a href="http://classroom.sba.gov/xtrainx/">http://classroom.sba.gov/xtrainx/</a>